

they are women, or poor? That's right—this bill will do that too.

Most importantly, do the American people really think that it's common sense to take away the power of our most democratic institution—the citizen jury—to impose deterrents against unsafe products and practices? I think not.

It's not hard to sell common sense reforms to the American people but supporters of this bill should be ashamed to put that label on a package of tricks that are crafted to increase corporate profits at the expense of the most vulnerable in our society. Perhaps the most dangerous product around these days is this bill, and when people get a chance to look inside the box and see what's really there they will be outraged. The Members of Congress who vote for it, however, will ultimately have to answer to the consumers, which is more than you can say for negligent manufacturers if this bill passes.

One of the most troubling aspects of H.R. 956 is the rule for calculating punitive damages, setting a cap at three times the amount of economic loss, or \$250,000, whichever is greater. This bill establishes appallingly unequal penalties based not on the severity of the harm caused or the extent of negligence or even malice, but on the income of the victim.

Punitive damages have a positive impact on decisions made by product manufacturers and sellers. The Conference Board, a business-funded research organization, surveyed companies about the effect of strong product liability penalties on their operations. They reported, managers say that products have become safer, manufacturing procedures have improved, and labels and use instructions have been more explicit.

Yet by tying the amount of punitive damages to monetary loss alone, and not non-economic damages like pain and suffering, this bill takes away the threat of heavy punitive damages for products that severely hurt people with low-income, or no-income, like kids.

Think about it. Under this bill, if a product kills a child, punitive damages, regardless of the situation, will be capped at \$250,000 since there will be no lost earnings to calculate as monetary losses.

I worked hard during the 103rd Congress to improve product safety, especially for children. A child toy safety bill was one of the products of my efforts. Yet now we are seriously considering a bill that says that a toy manufacturer's concern about product safety might be diminished because the potential penalties are tied to the income of the victim. Large manufacturers and corporations will simply calculate punitive damages as defined under this bill as a small cost of doing business rather than attempt to improve the safety of their products.

Recently, a group of Illinois families joined together around their concerns about the lack of a safety latch on the rear hatch of a popular brand of mini-van. Since 1993, the National Highway Traffic Safety Administration has been investigating the rear liftgate of these vans because they fly open in crashes. According to the NHTSA, the latches failed to keep the rear hatches closed in at least 51 accidents, causing 74 ejections and 25 known deaths. Who rides in the rear seats of mini-vans? Kids, of course. This bill would mean that the van manufacturer probably does not

need to worry about hefty punitive damages in civil actions. If the issue were the front door latch of a luxury sports car, a manufacturer would almost certainly pay more attention.

Is this common sense?

Harming senior citizens would also tend to carry lesser punitive damages under this bill, since their incomes tend to be less. Of course, senior citizens are big consumers of pharmaceutical drugs. With this bill the majority is setting a lower standard for safety for drugs marketed to seniors than for drugs marketed to the general population. Pharmaceutical manufacturers often say that fear of liability keeps them from marketing certain drugs. Does that mean that removing some fear of extensive punitive damages will lead them to market drugs to seniors that they might not otherwise sell? Is this really what the GOP wants to accomplish?

Is this really common sense?

Punitive damages are levied by juries as punishment for actions by manufacturers and sellers to deter the marketing of unsafe products. Therefore, punitive damages should be related to the severity of injury and the actions of the manufacturer or seller, not the economic status of the victim.

That is true common sense.

Unfortunately, the bill before us also sets up yet another dual standard for recovery of damages in a product liability case based on the income of the victim. The bill eliminates the doctrine of joint and several liability, which ensures compensation for an injured party even if one or more of the defendants are unable to pay, for non-economic damages.

Women, senior citizens, children, and low-wage workers are more likely to receive compensation in the form of non-economic damages rather than economic damages. Yet this bill says that if one of the parties responsible for hurting someone goes bankrupt, the victim cannot recover full compensation, regardless of what the jury says. Upper-income men, who are more likely to be awarded economic damages for loss of income, are not affected by this provision of the bill because joint and several liability for economic damages remains intact.

Consider a case where two people suffer an injury. One is a man, the other a woman. The man is a lawyer and receives his full compensation whether or not all responsible parties contribute. The woman is a homemaker, and so the compensation she receives could be severely limited if one of the responsible parties is unable to pay.

Is this fair? Is this common sense?

Are the Republicans saying with this bill that they don't value women, seniors, children, or the poor? You bet they are.

Mr. Chairman, I have just finished fighting a bill passed by this chamber which suspends all new Federal regulations, including those designed to protect the public from unsafe products. Now the majority has come forward with this effort to close the only remaining mechanism average citizens have to protect themselves. With one hand, they remove regulation, and with the other, they take away the power of citizen juries to control corporate behavior through the threat of punitive damages.

What next? I probably shouldn't ask.

The American people have plenty of common sense, and when they are able to step back and see the whole of what is being done here, they will know whose interests are being

protected, and who is being sold down the river.

The leadership may want to call this bill the Corporate Profits Protection Act, or the Corporate Wrongdoers Protection Act, or even the "Profits Regardless of Who Gets Hurt Act," but they will find that the people are far too smart to let them call this the Common Sense Legal Reform Act for long. It's not hard to see why the majority wants to act so quickly on this bill. After all, you can't fool all the people all the time. And time is running out.

Mr. Chairman, the American people will be shocked when they find out what this bill calls common sense.

I urge my colleagues to reject H.R. 956.

Mr. HYDE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the SPEAKER pro tempore (Mr. LONGLEY) having assumed the chair, Mr. DREIER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 956) to establish legal standards and procedures for product liability litigation, and for other purposes, had come to no resolution thereon.

UNITED STATES SUPPORT FOR MEXICO—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 44)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Banking and Financial Services and ordered to be printed.

To the Congress of the United States:

On January 31, 1995, I determined pursuant to 31 U.S.C. 5302(b) that the economic crisis in Mexico posed "unique and emergency circumstances" that justified the use of the Exchange Stabilization Fund (ESF) to provide loans and credits with maturities of greater than 6 months to the Government of Mexico and the Bank of Mexico. Consistent with the requirements of 31 U.S.C. 5302(b), I am hereby notifying the Congress of that determination. The congressional leadership issued a joint statement with me on January 31, 1995, in which we all agreed that such use of the ESF was a necessary and appropriate response to the Mexican financial crisis and in the United States' vital national interest.

On February 21, 1995, the Secretary of the Treasury and the Mexican Secretary of Finance and Public Credit signed four agreements that provide the framework and specific legal arrangements under which up to \$20 billion in support will be made available from the ESF to the Government of Mexico and the Bank of Mexico. Under these agreements, the United States will provide three forms of support to Mexico: short-term swaps through

which Mexico borrows dollars for 90 days and that can be rolled over for up to 1 year; medium-term swaps through which Mexico can borrow dollars for up to 5 years; and securities guarantees having maturities of up to 10 years.

Repayment of these loans and guarantees is backed by revenues from the export of crude oil and petroleum products formalized in an agreement signed by the United States, the Government of Mexico, and the Mexican government's oil company. In addition, as added protection in the unlikely event of default, the United States is requiring Mexico to maintain the value of the pesos it deposits with the United States in connection with the medium-term swaps. Therefore, should the rate of exchange of the peso against the U.S. dollar drop during the time the United States holds pesos, Mexico would be required to provide the United States with enough additional pesos to reflect the rate of exchange prevailing at the conclusion of the swap.

I am enclosing a Fact Sheet prepared by the Department of the Treasury that provides greater details concerning the terms of the four agreements. I am also enclosing a summary of the economic policy actions that the Government of Mexico and the Central Bank have agreed to take as a condition of receiving assistance.

The agreements we have signed with Mexico are part of a multilateral effort involving contributions from other countries and multilateral institutions. The Board of the International Monetary Fund has approved up to \$17.8 billion in medium-term assistance for Mexico, subject to the Mexico's meeting appropriate economic conditions. Of this amount, \$7.8 billion has already been disbursed, and additional conditional assistance will become available beginning in July of this year. In addition, the Bank for International Settlements is expected to provide \$10 billion in short-term assistance.

The current Mexican financial crisis is a liquidity crisis that has had a significant destabilizing effect on the exchange rate of the peso, with consequences for the overall exchange rate system. The spill-over effects of inaction in response to this crisis would be significant for other emerging market economies, particularly those in Latin America, as well as for the United States. Using the ESF to respond to this crisis is therefore plainly consistent with the purpose of 31 U.S.C. 5302(b): to give the United States the ability to take action consistent with its obligations in the International Monetary Fund to assure orderly exchange arrangements and a stable system of exchange rates.

The Mexican peso crisis erupted with such suddenness and in such magnitude as to render the usual short-term approaches to liquidity crisis inadequate to address the problem. To resolve problems arising from Mexico's short-term debt burden, longer term solutions are necessary in order to avoid

further pressure on the exchange rate of the peso. These facts present unique and emergency circumstances, and it is therefore both appropriate and necessary to make the ESF available to extend credits and loans to Mexico in excess of 6 months.

WILLIAM J. CLINTON.

THE WHITE HOUSE, March 9, 1995.

PERSONAL EXPLANATION

Mr. BILBRAY. Mr. Speaker, I was absent yesterday due to an illness. I would like the RECORD to show that had I been present, on rollcall 213 I would have voted "nay," on rollcall 214 I would have voted "nay," on rollcall 215 I would have voted "nay," and on rollcall 216 I would have voted "aye."

AMENDMENT FILING DEADLINE ON H.R. 1158 AND H.R. 1159

Mr. SOLOMON. Mr. Speaker, earlier today I announced a preprinting requirement for amendments to the two supplemental appropriations and rescissions bills, H.R. 1158 and H.R. 1159 and noted that amendments should be submitted for printing no later than Monday, March 13, 1995.

I now ask unanimous consent that Members have until 5 p.m. on Monday, March 13, which is a pro forma day to file their amendments for preprinting in the CONGRESSIONAL RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

PERMISSION FOR SUNDRY COMMITTEES AND SUBCOMMITTEES TO SIT ON TOMORROW DURING THE 5-MINUTE RULE

Mr. SOLOMON. Mr. Speaker, I ask unanimous consent that the following committees and their subcommittees be permitted to sit tomorrow while the House is meeting in the Committee of the Whole House under the 5-minute rule.

Committee on Economic and Educational Opportunities, Committee on Government Reform and Oversight, Committee on House Oversight, Committee on the Judiciary, and Committee on Transportation and Infrastructure.

It is my understanding that the minority has been consulted and that there is no objection to these requests.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. DOGGETT. Mr. Speaker, reserving the right to object, we have consulted with the ranking minority member of each of those committees and subcommittees, and there is no objection.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. TAYLOR of Mississippi. Mr. Speaker, reserving the right to object, I had hoped, with the change in the House, this practice of Members being expected to be in three places at once would hopefully come to an end. Today, for example, I had a Committee on Government Reform and Oversight and a Committee on National Security meeting as we had some very important tort reform legislation going on on the floor.

Is it the intention of the Republican leadership to continue this practice for the remainder of the Congress, or at some time can we get to the point where Members can do one or maybe two things, and do them very well rather than running around like a bunch of chickens with our heads cut off?

Mr. SOLOMON. Mr. Speaker, if the gentleman will yield, I would say to him we are doing everything possible to get that Member home for the Easter break to have a work period. And once we have reached that April 8 date I would think that we would go back to the regular rules of the House and probably would not be making these requests, or very seldom.

Mr. TAYLOR of Mississippi. If I may, there are things that are more important than the Easter break. Passing well-thought-out legislation is more important than the Easter break, and I would sure hope the Republican leadership would keep that in mind.

Mr. SOLOMON. If the gentleman will yield, we certainly will, and I hope the gentleman has a happy Easter break when the time comes.

Mr. TAYLOR of Mississippi. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

THE REPUBLICANS' WAR ON KIDS

Mr. SKAGGS. Mr. Speaker, I would like to commend to all Members of the House a striking series of articles from the Los Angeles Times. They provide a poignant rejoinder to current House Republican doctrine that we can somehow cut school lunch and breakfast programs without really hurting anybody.

The articles tell the story of the kids from West Covina, CA, a place where the local school board decided not to participate in the school breakfast program. Let me just give an excerpt.

By 10 many mornings there is a long line outside the nurse's door. Some children clutch their stomachs, others their heads. In this mostly middle-class bedroom community, these children share a common ailment. They are hungry.

Phys ed teacher Barbara Davids sometimes fed 12-year-old boy who volunteered to help custodians pick up after lunch so he could salvage garbage scraps.